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Improvement of Human Resource Management

CASE: Okey markets

Thesis

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Thesis Abstract

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<p>The target of this project is to analyse human resource management focusing on the case of an existing company, "OKEY" and find out how improve human resource management and how it could be possible to implement it in this company.</p> <p>In this work I have used web resources and information from the company together with an interview.</p>		
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1.Introduction

Human Resource Management is recognized as one of the most important tool to increase efficiency of enterprises life, and the term "human resource management" is considered in many areas, such as: economical and statistical, and also implements in philosophical and psychological areas of human resource responsibilities.

Human Resource Management System provides continuous improvement methods of working with staff and the use of domestic and foreign science and the best production experience. The essence of management personnel, including employees, employers and other owners of the company is to establish organizational, economic, social, psychological and legal relations between subject and object management. The basis of these relations are existing to make a positive effect on employees, to maximize a profitability of work.

Management staff has a leading position in the control system enterprise. Methodologically, this area has a specific type of management, it includes accurate numbers from past of enterprise and possible tendency of development in the future, with strategic plan of realization of it. This thesis consists of two parts:

The first section - theoretical - discusses all aspects of the control the behavior of the staff, the factors influencing the choice of style of management staff, various methods of training and education, training of workers, interpersonal differences and motivation workers, methods of recruitment and selection, and more.

The second section - practical - includes all connections between management staff with example of the enterprise (in the company «OKEY»). Here are very qualified workers and managers with a high level of experience.

It is made to show stuff how work should be done and what is a targets. In this thesis a lot of definitions and ideas, however, cannot be helpful to those who seriously interested in the management staff.

2. The concept of personnel management organization in the market relations

2.1. Coordinating leadership

Dr. John Eider

In the 1970s developed a model that illustrates the way in which people are in communication and the work they do. Dr. John Eider, coordinating guide. Available:

(http://royallib.com/author/Eider_John.html).

His model is known as the Coordinating guide. Three intersecting circles are three important elements that the any manager must consider - performance tasks, team building and display of individuality.

The intersecting circles indicate that each of these elements is in the interaction and influence on the remaining two. For example, common staff morale and job satisfaction will be higher when each member of the team is aware of their role in the implementation the general problem. Similarly, a close-knit team can achieve more than the one where workers are separated, although they are more experienced. Conversely, the number of failures in the work can weaken the team and its morale. Dr. John Eider, coordinating elements. Available:

(http://royallib.com/author/Eider_John.html).

Manager, which is too focused on the implementation of job, is unable to provide the optimal way of getting positive result. Manager of high-productive teams sometimes focus mainly on recruitment, but it can give only short time results, and soon all the same performance will suffer. The right balance requires the use of both personal interest, and the general mood of the team on almost all common tasks.

There are many other models and theories of management styles and management, but these could not be better suited to the theme of "Managing the banks. "There are, for example, "The theory of dependence" that boils down to the fact that managers should suit their style under specific circumstances, or "singularity theory", the idea that to be or not to be a good manager depends on the individual or psychological features. Dr. John Eider, coordinating models. Available: (http://royallib.com/author/Eider_John.html).

2.2. Relationships with internal and external customers

Internal customers can be any persons who either works for an organization and serve people that are not employed by that organization. External customers are those whom do not work for the organization, which are buying a product or service to fulfill a need.

According to Mayer, in the daily work a manager has to face a set different people: his or her subordinates and other departments of their colleagues or any other department of the organization. Approach to different groups is different, but all communication passes through a single line that defines human relations: any work relationship should be pleasant, polite and fair. If the manager is not prefers personal sympathies in a relationship, it leads to friction, non-cooperation and even to an open conflict. (Mayer 2014, 30-32.)

The Balanced Scorecard allows to select criteria in each of the four key perspectives – Financial, Customer, Internal Process, and Learning and Growth – to develop a realistic view of employee contribution. It helps to consider employee requirements from each of the four business perspectives:

Fundamentally, purpose is to determine whether the employee is doing everything possible to help the company succeed. Each of the perspectives evaluates how well the employee is doing in achieving that purpose in specific areas. Here are some commonly used examples of evaluation criteria and suggested measurements for each.

Financial:

- Good steward of financial resources: Percentage of projects completed within budget or the number of months their department operated within budget
- Appropriate compensation for responsibility level: Variance from company's historical salary for comparable position or variance from industry standard for comparable position

Internal Processes:

- Completes tasks effectively: Percentage of projects completed by deadline or number of days operating without failure or injury

- Uses resources efficiently: Waste-to-production ratio in department or by assigned project

Learning and Growth:

- Makes continual effort to improve skills and knowledge: Number of training opportunities participated in
- Actively looks for ways to promote company growth: Number of suggestions given to supervisor

Evaluation criteria. Available: (<http://www.bscdesigner.com>).

Customer:

- Successful relationships with internal customers (coworkers, subordinates, superiors): Number of complaints received or number of positive responses on employee satisfaction surveys
- Successful relationships with external customers (clients, vendors, business associates): Number of positive responses in satisfaction surveys for those customers employee interacts with
 - According to Mayer, customers, both external and internal (from other parts of the organization) may be deliberately unpleasant to communicate with the manager should never allow irritation prevail, lose patience and prevent complains. However, if the manager cannot control their sense, it is better to assign one of his subordinates to deal with data buyers. (Mayer 2014, 40-41.)
 - According to Mayer, well-established mutual communication between the manager and the head - an essential condition for success. Very often we hear the complaint: "The boss does not listen to me at all." It all can happens because the boss thinks that this problem can be solved his or her intervention. As the head is limited in time, make sure that when employee write to him or to her approach it, are not too wordy or boring. One should self in express a clear and unambiguous manner, stick to the facts or reasonable ideas to convince him or one's that your decision or recommendations are right. If employee talk to him or her about some personal issue, make an attempt, at least, to offer a solution. (Mayer 2014, 43-50.)

- According to Mayer, managers with equal rank are connected horizontal in hierarchy, but supervisors and workers are connected vertical and it is very important for subordinating. The complexity of horizontal connections is that the manager does not have an impact on the people with whom he or she has to communicate, so they have to use persuasion, negotiation and trade, sharing their ideas to negotiate it and find a better way of work. (Mayer 2014, 51-52.)
- According to Mayer, the manager can look for information and appropriate solution or a way to speed up the delivery, and possible, that he or she has created a mistakes in some case or embarrass another Manager and looking for a way to fix it. In business, there is an old saying - "Treat people well on the way up, but you can meet them again on the way down! " (Mayer 2014, 55-57.)
- According to Mayer, relationships with subordinates are considered from all sides. Here suffice it to say that a manager should be set to the highest degree trust and friendly relations with subordinates.
- Then subordinates will come to him or her with the emerging problems before it will be difficult to fix it, when circumstances so require. (Mayer 2014, 58-60.)

Eshrid model

This model was developed Eshrid College of Management in England in 60-70 years. This model distinguishes four styles of leadership:

orders;

advertising;

consultation;

unity.

According to Mayer, orders: manager generates own decision and sends to subordinators for execution. The staff expects to perform specified without questions asked. Advertisement: in this case, the manager also produces his or her own solution, but instead of simply declaring his or her subordinates, he or she trig to convince them that this is the best solution. Consulting: Manager, using this style, decides to discuss a problems with their subordinates. He or she

provides them with an opportunity to express thoughts, suggestions and tips realizing that employees can actually know about certain areas more than himself or herself. Such a manager can be a good specialist consultant on specific areas of knowledge. The final decision still belongs to the manager, but it will not be accepted before listening to the views of subordinates, who thus feel involved in the case and feel their importance. Unity: using this style, the manager with subordinates on equitable generates democratic decision. The manager identifies the problems (example, budget constraints). Then the problem is discussed in a free discussion among subordinates, and the final decision is usually a reflection of the decision of the majority. These four styles are easy to understand and are most often found in everyday life. Most managers use different styles in different situations. If the building, is the burning manager tells you to leave and as it is not the time for democratic decisions. (Mayer, 2014, 240-277.)

Scheme Blake-Mouton

Blake and Mouton set out to apply the ideas of behavioural scientists such as Rensis Likert to the practice of management. They built on studies conducted at Ohio State University and the University of Michigan in the 1940s which attempted to identify the behavioural characteristics of successful leaders. Blake and Mouton identified two fundamental drivers of managerial behaviour as concern for getting the job done, and concern for the people doing the work. They argued that, on the one hand, an exclusive concern for production at the expense of the needs of those engaged in production leads to dissatisfaction and conflict, thus adversely affecting performance; but that, on the other hand, an excessive concern to avoid conflict and maintain good relationships is also detrimental to the achievement of goals and objectives.

In order to provide a framework for describing management behaviours, the two variables of 'concern for production' and 'concern for people' were plotted on a grid showing nine degrees of concern for each, from 1 indicating a low level of concern, to 9 indicating a high level of concern. Five positions on the grid represent five differing managerial behaviour patterns.

The bottom right corner of the grid represents a 9,1 style of management - maximum concern for the efficient accomplishment of tasks, but minimum concern for human relationships. This pattern corresponds to the traditional authority-based style of command and control management. The 1,9 position at the top left, in contrast, focuses on human relations at the cost

of efficient production, and has been called the 'country club' style of management. 1,1 management - minimum concern for either production or people - is characterised by a desire to avoid responsibility, and exert minimum effort. The 5,5 manager attempts to maintain a balance between both concerns, but 9,9 management, which integrates maximum attention to both people and production, is put forward as the most effective approach.

As a further refinement to Grid theory, additional managerial styles combining two or more of the basic styles are identified. For example, paternalism is defined as 9,1-1,9 management where the manager swings between two extremes. There is a need to control and dominate and resistance is met with reprimand. At the other extreme compliance is reinforced by recognition and appreciation. Scheme Blake-Mouton. Available:

(<http://www.mbsportal.bl.uk/taster/subjareas/busmanhist/mgmtthinkers/blakemouton.aspx>).

2.3 Personal factors in HR Management

Interpersonal differences and motivation of employees

According to Mayer, today, with the constitution of person to work his or her physique is not are importance. The development of technology has greatly reduced the number of jobs that require physical endurance and strength. It is possible that in the banking business vision is the most important physical factor, although it is possible to meet the bank employees, which, having different visual defects, do a good job. Today, however, some banks still insist on holding medical examination of applicants for a job. (Mayer 2014, 64-70.)

According to Mayer, mental capacity of the person can be defined as the ability to effectively use one's intelligence - the amount of total mental functions of understanding, thinking, learning, observation, decision problems, the ability to enter into mutual relations. Somewhat successful training and examinations can guarantee a certain level of intelligence, although some employers may additionally demand from prospective candidates to solve tests to check their professional level. (Mayer 2014, 71-75.)

If person were asked to describe the personality of someone knows well, he or she will describe their behavior under different circumstances, characterizing them as charming, tolerant, enterprising, enthusiastic, friendly, active concert, honest, reliable, and so on. Many of these characteristics may vary depending on the situation. For example, someone may demonstrate humility when dealing with his or her boss, but be despotism with subordinates. There are various tests for the characteristics of the individual, but usually the tests are not considered to be good predictors of success in future work.

According to theory of Mac Gregor: Theory "X" It used to think that if a person already has a job, it is makes person less active in work, avoid responsibility, act inconsistently and often rather silly (Douglas McGregor called this theory "X"). According to theory of Mac Gregor: Theory "Y" This point of view shows that work is not punishment, but a natural function of the person; innovation and creativity inherent in all people, but is not limited to narrow the class of "managers". This theory of the "Y" MacGregor. Obviously, this is the most modern point of view on working person is valid only in cases involving the fullest worker in production and getting them the most benefit. Theory of Mac Gregor. Available:

(http://www.mindtools.com/pages/article/newLDR_74.htm).

I would like to say that here is a difference between the theory of dr. John Eider and the theory of Mac Gregor. First of all John Eider theory is slightly outdated nowadays and management theories from my point of view have to changes often, because international market is not permanent, but it changes. But some basic ideas stay effective still.

2.4 MOTIVATION

Motivation is a motive will; consideration and feelings that urges to act, and the motivation - the power motive, stimulus. It makes people do their tasks with feeling. The motivation in terms of management, we mean incentives organized by one or a group of employees to devote people entirely work and it occurs voluntarily, for the benefit of the organization or implementation of existing programs. Motivation theory. Available:

(http://www.mindtools.com/pages/article/newLDR_74.htm).

According to the interview in the company "OKEY", different people have different incentives. When someone graduated from school or university and got a first job, the most real incentive for person will be likely a designated salary - real money that he or she can spend without having

to ask their parents pay personal expenses. Later, a very effective stimulus to person activities will be the promotion and possibly a company car, which he or she can use. Let us look from another side, let us call it demotivation, that make person leave the existing job.

For example, if the boss starts to publicly chastise him or her for every mistake in the office, even if it does not apply to him or her, or to spread rumors about personal life. All examples mentioned can cause to lose all interest in the work.

There are three main theories of motivation:

A. Maslow's Hierarchy of Needs. Available: (<http://www.simplypsychology.org/maslow.html>).

Creating his theory of motivation in the 1940s, Maslow recognized that people have many different needs, but also believed that these needs can be divided into five main categories:

- Physiological needs are necessary for survival, they include the need for food, water, shelter, rest, sleep, and so on.
- Requirements of security and confidence in the future include the need protection from physical and psychological hazards of the world and person belief that the physiological needs will be met in the future. Display of needs confidence the future is to buy an insurance policy, or search for a safe work reliable type of retirement.
- Social needs, sometimes referred to as the needs of involvement, - A concept that includes a sense of belonging to something or someone, the feeling that you are taking other.
- The need to respect the needs include self-esteem, personal achievement, competence, respect from others, recognition. Needs of self-expression - the need for the realization of their potential opportunities and work as individuals. According to Maslow's theory, all of these needs can be arranged in the form of strict hierarchical structure. Maslow's needs. Available: (<http://www.simplypsychology.org/maslow.html>).

As with the development of a person as a person expand his potential, the need for self-expression may never be fully satisfied. Therefore, the process of motivation behavior through needs is endless. Maslow's development. Available:

(<http://www.grandars.ru/college/psihologiya/ierarhiya-potrebnostey-maslou.html>).

Maslow said: "Until now, we have said that the hierarchical levels needs have a fixed order, but in fact, this hierarchy not as "hard" as we thought. It is true that for most people with whom we work, their basic needs were located approximately in the order, as we pointed out. However, there was a series of exceptions. There are people for whom, for example, self-esteem is more important than love. " Maslow's ideas. Available: (<http://www.smashingmagazine.com/2010/04/26/designing-for-a-hierarchy-of-needs/>).

Maslow's theory has made an extremely important contribution to make people understand tendency of their work. The leaders of various ranks began to understand that the motivation of people is determined by a wide range of their needs. In order to motivate a specific person, the manager should give him or her the opportunity to meet his or her most important needs through such a course of action that contributes to achieving the objectives of the organization. Not long ago, the leaders could motivate subordinates almost exclusively by economic incentives. Maslow's contribution. Available: (<http://www.smashingmagazine.com/2010/04/26/designing-for-a-hierarchy-of-needs/>).

According to Mayer, as the Thorens Mitchell: "In our society, the physiological needs and the need for security play a relatively minor role for most people. Only really powerless and the poor management of these needs of the lower levels. It follows from the obvious for theoreticians management systems concluded that the needs of the higher levels can serve the best motivators than the needs of the lower levels. This fact is confirmed by researchers who conducted surveys of workers about the motives of their activities." (Mayer 2014, 68.)

B. Theory of needs of McClelland

McClelland believed that people have three needs: power, success and involvement. The need for power is expressed as a desire to influence others humans. Within the framework of Maslow's hierarchy of power demand flagged somewhere between the need for respect and self-expression. People with the need for power are often manifest themselves as frank and energetic people who are not afraid of confrontation and seek to defend original positions. The controls are

very often attracted to people with a need for power, because it gives many opportunities to express and to implement it. Theory of needs of McClelland. Available: (<http://www.mindtools.com/pages/article/human-motivation-theory.htm>).

By analyzing the different possible ways to meet the needs of power, McClelland said: "Those people who have the highest is need for power and there is no tendency to adventurism or tyranny, the main one is the need to exercise their influence, it is necessary must prepare to engage senior management positions ... " McClelland's needs of power theory. Available: (<http://www.netmba.com/mgmt/ob/motivation/mcclelland/>).

McClelland said that most people possess and exhibit a combination of these characteristics. Some people exhibit a strong bias to a particular motivational need, and this motivational or needs 'mix' consequently affects their behavior and working/managing style. McClelland suggested that a strong n-affil 'affiliation-motivation' undermines a manager's objectivity, because of their need to be liked, and that this affects a manager's decision-making capability. A strong need for power 'authority-motivation' will produce a determined work ethic and commitment to the organisation, and while need for power people are attracted to the leadership role, they may not possess the required flexibility and people-centred skills. McClelland's characteristics of people. Available: (<http://www.businessballs.com/davidmcclelland.htm>).

McClelland argues that people with strong 'achievement motivation' make the best leaders, although there can be a tendency to demand too much of their staff in the belief that they are all similarly and highly achievement-focused and results driven, which of course most people are not.

McClelland's particular fascination was for achievement motivation, and this laboratory experiment illustrates one aspect of his theory about the affect of achievement on people's motivation. McClelland asserted via this experiment, that while most people do not possess a strong achievement-based motivation, those who do, display a consistent behavior in setting goals: volunteers were asked to throw rings over pegs rather like the fairground game; no distance was stipulated, and most people seemed to throw from arbitrary, random distances, sometimes close, sometimes farther away. However a small group of volunteers, whom McClelland suggested were strongly achievement-motivated, took some care to measure and test distances to produce an ideal challenge - not too easy, and not impossible. Interestingly a parallel exists in biology, known as the 'overload principle', which is commonly applied to fitness and

exercising, ie., in order to develop fitness and/or strength the exercise must be sufficiently demanding to increase existing levels, but not so demanding as to cause damage or strain. McClelland identified the same need for a 'balanced challenge' in the approach of achievement-motivated people. McClelland's motivation examples. Available:

(<http://www.businessballs.com/davidmcclelland.htm>).

McClelland contrasted achievement-motivated people with gamblers, and dispelled a common pre-conception that n-ach 'achievement-motivated' people are big risk takers. On the contrary - typically, achievement-motivated individuals set goals which they can influence with their effort and ability, and as such the goal is considered to be achievable. This determined results-driven approach is almost invariably present in the character make-up of all successful business people and entrepreneurs. McClelland's theory of individualism. Available:

(<http://www.businessballs.com/davidmcclelland.htm>).

C. Two-factor theory of Herzberg

Herzberg developed another model of motivation based on needs. According to the findings of Herzberg, the explanation for this theory can be divided into two broad categories, which he called "hygiene factors and motivation. " Two-factors theory of Herzberg. Available:

(http://management-books.biz/teoriya-menedjmenta_693/teoriya-dvuh-faktorov-17875.html).

Here's how Herzberg described the relation between satisfaction and dissatisfaction with the work: "The results of our study, as well as results obtained by me in the course of discussions with other professionals, use completely different methods, allow us to conclude that factors causing job satisfaction and provide adequate motivation - is different and significantly different factors than those cause dissatisfaction with work ... "

Satisfaction factors of Herzberg. Available:

(<http://www.sesp.northwestern.edu/docs/publications/75905635251f81e09ecbfa.pdf>).

Herzberg's theory, the presence of hygiene factors to motivate employees. However, it will only prevent the occurrence of feelings of job dissatisfaction. To achieve motivation the manager must ensure that there is not only hygienic but also motivating factors. Many organizations have tried to implement these theoretical conclusions through programs of preparation of labor. In the program preparation of labor work, so that bring more satisfaction and rewards. In order to

use the theory Herzberg effectively, you need to compile a list of hygiene and especially motivating factors and give employees the possibility to identify and specify that they prefer. Hygiene factors of Herzberg. Available:

(<http://education-portal.com/academy/lesson/herzbergs-two-factor-theory-hygiene-factors-motivation.html>).

2.5 Methods and criteria for recruitment and selection of staff in the organization

Recruitment can be described in Process model as follows:

Internal methods

Based on interview from the company "OKEY" all methods of recruitment and selection of staff it is possible to divide by two categories: internal and external. Internal means research of employee from internal reserves of a company. In that moment when in organization appear a new vacancy (for example: expanding of a company or when new kind of work is appear). Management start to look at already existing employees to let them change their work.

Traditional way of recruitment is effective and this way is different from others that not include a money spending. This type of recruitment is about that employees can recommend for management to hire their friends or family members. But here is also some negative aspects in it, for example: it is not good to engaging in a personal friendship with colleagues, it can destroy a working process; and also this way of recruitment will not allow to find high professional workers.

External methods

In that case when a company does not want to hire employees from internal methods, then it is better for external recruitment to use recruitment agencies. The first positive side of this method that recruitment agency will try to find for a company exactly what company wants to find. Success of this type of research depends on correct filled form of needs from the company.

However there is one more external method of recruitment, it is internet . There are several amount of web sources for recruitment, where is possible to search by criteria which is important for any company.

If the post belongs to the category of those where the determining factor is the technical knowledge, the most important seem to have the formation and previous scientific work. For senior positions, especially the high-level focus is on the skills establishment of inter-regional relations, as well as compatibility with the candidate superiors and subordinates. Efficient selection candidates is a form of pre-control quality of human resources. The three most commonly used methods of gathering information required to decision-making in the selection, testing concerns, interviews and centers evaluation. Methods and criteria for recruitment and selection of staff in the organization. Available: (<http://www.grandars.ru/college/biznes/ocenka-personala.html>).

TESTS

According to Mayer, behavioral sciences have developed many different kinds of tests that help predict how a candidate will be able to effectively perform concrete work. One type of a screening test provides measurement of the ability to perform tasks related to the proposed work. Another type of test is to measure psychological characteristics such as the level of intelligence, interest, energy, sincerity, self-confidence, emotional sustainability. Management should assess their test and determine who got the highest amount of points and make decision about this person. (Mayer 2014, 80-82.)

Assessment Center

According to Mayer, in the center special trained people are evaluates potential of candidates through speacial methods, such as presentation of a candidate skills and knowledge, self-confidence, emotional sustainability. Also in the center use psychological tests, group and private conversations. (Mayer 2014, 84-86.)

INTERVIEW

According to Mayer, the interview is still a widely used method of frames. Even non-managerial employees which are qualified and experienced without at least one interview will not get a working place. The selection of head high rank may require dozens of interviews that span multiple months. However, studies have revealed a number of problems which reduce the effectiveness of interviews. There is a tendency of choosing a candidate based on the first experience, without foregoing the rest of the interview. Another problem is the tendency to evaluate the candidate in comparison with the person with whom the interview was conducted just before. (Mayer 2014, 88-91.)

Career guidance and social adaptation hired employees

According to Mayer, the first step to ensure that employees work as much as possible efficient, is professional orientation and social adaptation in the team. If the management is interested in the success of new employee's, it must always be remembered that the organization is a system, and each employee - a personality. When a new person comes into the organization, he or she brings with previously acquired experience and attitudes that fit or do not fit into the new framework. If, for example, the last superior of a new employee was a powerful person and preferred to communicate only by correspondence, the employee will assume that it is better to send the paper than just come and ask. However the new superior really prefers oral communication. (Mayer 2014, 92-95.)

According to Mayer, organizations use a variety of ways, both formal and informal, to communicate with their employees. Formally, at the time of hiring a new employee in organization this person will give information about him or her, so that expectations of the candidate would be realistic. This is important to find a right person to do an effective work. Rules, procedures and guidance from senior positions are additional methods of adaptation of workers to a collective organization. Some organizations have developed formal programs to educate they desired corporate culture in their organizations. During the informal communication new employees learn the unwritten rules of an organization in other words who has the real

power, what are the real chances of promotion, and what level of performance is considered sufficient colleagues. If the manager does not make an active effort to organize adaptation of a new employee, the latter may be disappointed because expectation was different about current job. The manager must also remember that some of the things that beginners learn in the special courses, may be for them will be unclear or inappropriate. (Mayer 2014, 106-115.)

Education, training and retraining of personnel

According to Mayer, the most important factor for effective work is timely and high-quality training, retraining and advanced training staff, which contributes to a range of their theoretical knowledge, practical skills. Between the qualifications of the employee and the efficiency of their work, there is a direct correlation. For example growth qualifications by one digit leads, according to domestic economists, to 0.034% of productivity growth. In this it is necessary to use working process frames according to their profession and qualifications, vocational guidance and control to create a favorable socio-psychological climate in the team, reflecting the nature and level of relations between employees. (Mayer 2014, 117-121.)

Increases the efficiency of labor, if the development of new types of work in conditions of introduction of new technology workers with more high educational level goes 2-2.5 times less time. The main thing, of course, is not simply more rapid adaptation, but also get used a working process levels for employees.

These new workers in training periods are learning step by step how they will perform their work tasks after their educational periods in the production process. This, as it turned out in the course of assessment conversations - workers are deeply tied to a higher degree of satisfaction with their work. Studying the satisfaction of working and ways to improve the stabilization workforce, identify preferred directions of a working operations.

According to Mayer, some of the economic indicators are: increased productivity, product quality, and material resources, etc. Social indicators reflect the level of job satisfaction, its content and conditions, forms and payment system. Training is conducted on the basis of calculations of staffing requirements certain occupations and skills. Accordingly, the training frame can be defined as the process of improving the theoretical knowledge and practical skills in order to improve professional skill workers, the development of advanced equipment,

technology, organization of labor, production and management. Further training is to enhance the professional knowledge, and skills acquired during training. (Mayer 2014, 170-189.)

Methods for evaluation of staff

The right rating method for employees evaluations depends on the number of people who have doing the same job, the size of an organization and the benefit ones receive from investing in evaluation tools. Then a company need to consider the resources that they have available to develop their rating methods. A company will find that rating methods will vary considerably in their complexity ranging from a basic summation of performance written by the employee's manager, though to the use of complex behavioral descriptors used to compare and contrast individual performance.

Without a doubt the best way to rate employee performance also happens to be the most expensive method to use, see BARS below. However, before a person decide to use this method this person will need to determine if his or her business will benefit from its use. They are more likely to benefit from these more expensive methods if he or she have a large number of people doing a similar job, with large starting in the hundreds of employees.

In practice they will find that most employee performance evaluations include a combination of two or more of the following rating methods.

- Graphic rating scale
- Global Rating
- Essay Method
- Behavioral anchored rating scales (BARS)
- Management by objectives

Graphic rating scales are used in many surveys, they normally consist of a line with four or five rating criteria listed, such as: unsatisfactory, below expectation, satisfactory, above average, outstanding. An example of this type of rating criteria on graph 1.

Performance Criteria	Unsatisfactory	Below Expectations	Satisfactory	Above Average	Out-standing
Productivity			X		
Quality				X	

Graph 1. Rating criteria. Available:

(<http://www.whatmakesagoodleader.com/Employee-Performance-Evaluation.html>).

Typically there will be a range of criteria such as productivity, quality, teamwork, customer service, or concern for safety etc. The team leader or manager will rate each employee based on their judgment of the employee's performance, time their assessment is supported by data. This method is typically subject to considerable bias, which makes it hard to compare people doing different jobs or even the same job in different teams. There is generally no criterion to determine the difference between each of the graduations on the rating scale.

To remove the bias some businesses assign criteria to some of the elements. For example, a sales person may score a 3 if they meet their sales budget, exceeding by 10% scores a 4 and by 20% or more scores a 5, If they miss target by 10% they score a 3 and by 20% or more they score a 1.

He or she will find that most efforts to clarify the rating criteria tend to be on those rating criteria that are quantitative. Many people will also debate having 4 or 5 rating criteria, while there is some merit in the debate when this method is used in employee surveys and market research; there is no validity in the debate when this method is used for employee performance evaluations. Methods for evaluation of staff. Available:

(<http://www.whatmakesagoodleader.com/Employee-Performance-Evaluation.html>).

Leadership training

According to Mayer, leadership training is exist to develop a new skills and abilities of employees for the effective performance of their duties or manufacturing jobs in the future. In practice, systematic training program are most often used to prepare leaders for promotion. For successful training of management stuff, as well as for learning in general, we need a thorough analysis and planning. Through performance evaluation the organization should primarily determine the ability of their managers. Then, based on the analysis of a content of an organization work, management should establish what knowledge and skills are required to do a job of a manager in any department of any organization. This allows the organization to find out which of the managers have the most appropriate qualifications for proposal positions and who would need training and retraining. (Mayer 2014, 305-308.)

Leadership training is carried out mainly to have in the organization qualified stuff required for the objectives of the organization. Another consideration, inseparable from the previous one, is the need to meet the needs of more high-level professional development. Unfortunately, many organizations do not provide sufficient opportunities to meet these needs. Management training can be carried out by organization's lectures, discussions in small groups or by an analysis of specific business situations.

Conclusion

From my point of view to be a successful manager in any organization (company) it is necessary to know all of this types of possible management styles and also innovate a personal way of doing work. However if managers are nowadays will not look back to see experience of previous years and get to know it and may be also it will generate some new ideas in his or her brain, but if he or she will not to do it then probably he or she will make mistakes which he or she could avoid knew it. Some of this theories are old, definitely, they are even cannot be new at all, because the world is changing and to be a good manager, to be talented we should improve our knowledge and generate new theories of management often.

3. Company Introduction

Group of companies "OKEY"

"OKEY" - a dynamic retail network in Russia is one of Europe's largest food retail markets with high potential for further growth. "OKEY" are among the leaders in the Russian retail market with 107 shopping centers. Today "OKEY" stores operate in 27 major Russian cities. "OKEY" offers buyers a wide selection of food, with an emphasis on fresh products and delicacies, as well as non-food products. To date, the company's range includes 64,000 items. "OKEY" is developing its own brands of milk, meat and other products. The brand "OKEY" is recognized as one of the strongest brands in St. Petersburg. Focusing on customers' expectations, "OKEY" seeks to build effective business processes and actively develop in order to provide consumers with excellent products and improve their quality of life. In addition, the company are developing a network of supermarkets that complement the basic format. Hypermarket "OKEY" is organized on the principle of classical European hypermarket with an extensive assortment of various goods and services at affordable prices it will include its own bakery, a large car park, bright and spacious rooms, a children's playground and a full range of additional services. Supermarket "OKEY" complements the basic format stores - it is easy to shop at an affordable price within a walking distance from the house. Information about "OKEY" company. Available: (<http://www.okmarket.ru/about/company>).

At the head of the company "OKEY" there is a team of managers with international experience in retail and a deep knowledge of the Russian market. The shops and offices across Russia have more than twenty three thousand employees of "OKEY". The first hypermarket of "OKEY" was opened in St. Petersburg. Since then, rapid and sustained development became the basis of the strategy of "OKEY". The company is actively expanding its presence in the regions."OKEY" pays close attention to the development of logistics. They are constantly expanding area of storage space, while increasing the volume of import operations and developing their own brands.

Another priority they are considered the optimization of inventory levels, improving the mechanisms of supply and display of goods. They plan is to create a system of cross-docking, which provides accelerated delivery of goods in shops "OKEY". To operate more efficiently, ensuring the needs of a growing network, "OKEY" constantly improves IT-infrastructure. The main competitive advantage of network "OKEY" the wide range of products and the ability to vary it on the bar's of the demand in different regions. The company is committed to providing customers the widest range of products, including their own bakery, as well as constantly updated range of seasonal food and non-food items. The plans of "OKEY" is improving the system of feedback from customers in the needs of an assortment of shops and tastes of the inhabitants of a particular region, as well as intensive development of its own brands. "OKEY" Priorities. Available: (<http://www.okmarket.ru/about/company>).

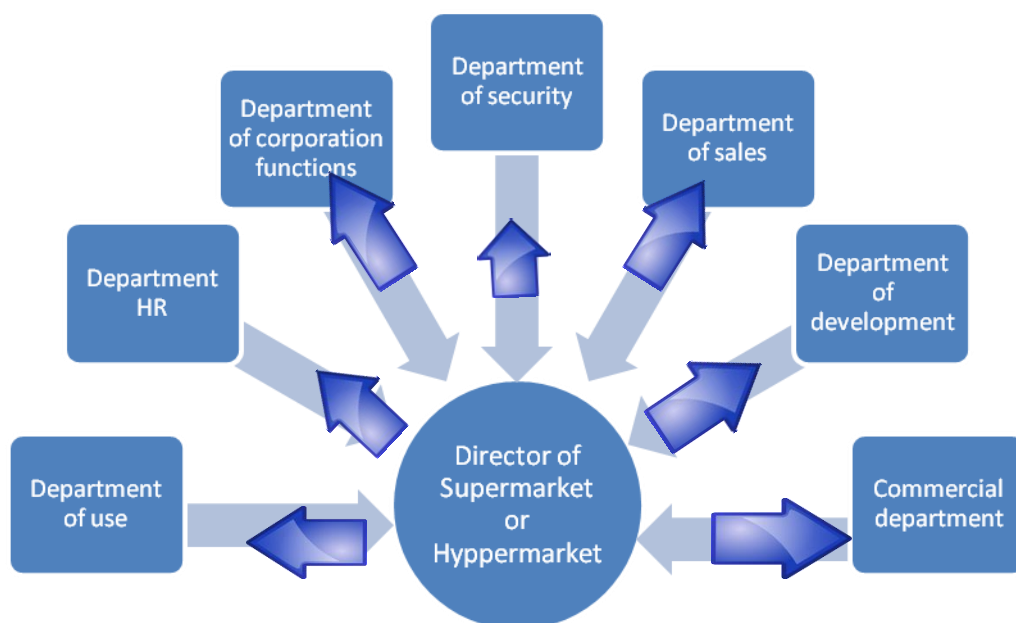
Student program

If a person are a student and would like to work in their company after the graduation, already now that student can start his or her education (practice) with "OKEY", to became a real manager after the graduation.

4. Structures of the Company management

According to graph 2, HR Manager provides a selection of employees for vacant positions, sometimes, and performs other functions related to the management of staff and the provision of conditions for improving his or her skills. HR Manager communicates with people, listens to the information and decides and places job advertisements in the media, and on the Internet. Analyzes of a large number of resumes, interview applicants is important part of human resource management. Responsibilities of human resource management depends on the size of the company, as well as policy guidance. In small companies the manager selects and trains personnel, determines how to encourage their efforts, and conducts personal affairs. His or her duties may include developing and maintaining of corporate style, creating a system of rewards and punishments employees, conducting activities that contribute to the unity of employees, increasing their motivation, and the opening of perspectives of the employees. (Mayer 2014, 321-324.)

Interaction of departments



GRAPH 2. Director of Supermarket or Hypermarket. Adopted (Mayer 2014, 340.)

According to graph 3, the "OKEY" Group has 96 shopping centers in 26 cities in the Russian Federation.

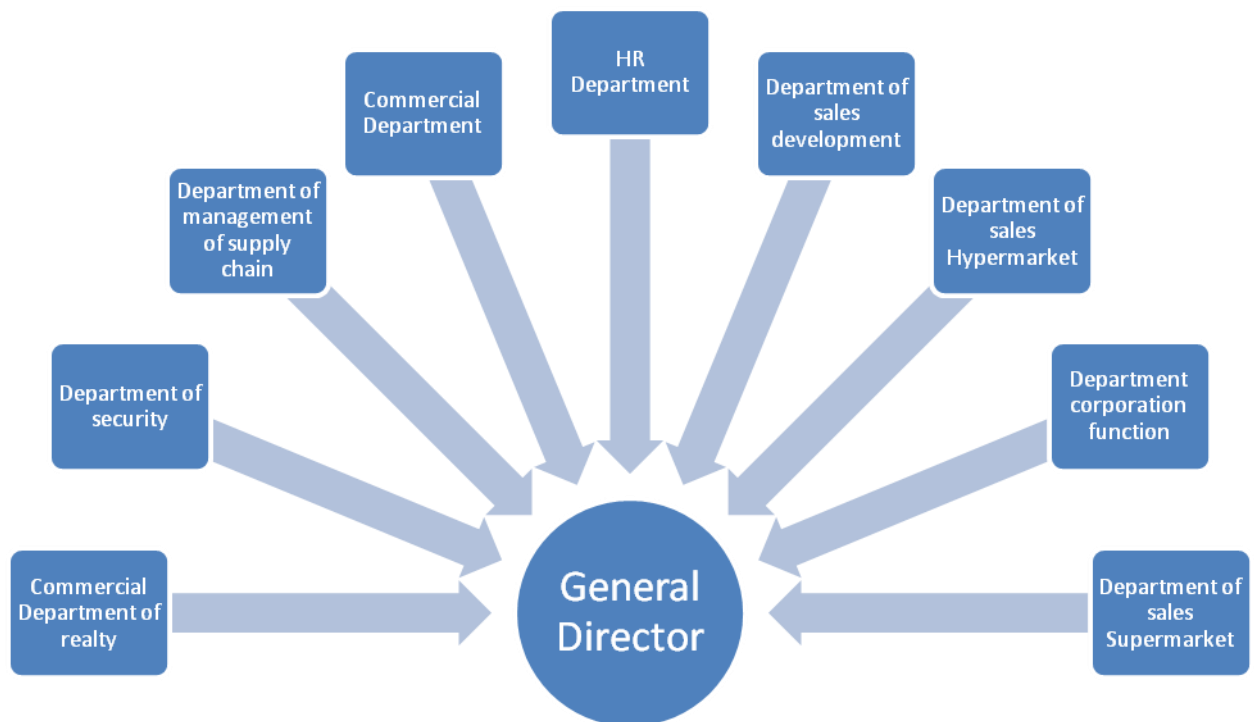
The total selling space of "OKEY" is more than 500 thousand square meters. Today the federal office of "OKEY" has more than 400 employees representing various activities in the area of retail. "OKEY" group has been lead by Tony Mayer, an experienced leader in international retail business. The shops and offices across Russia have more than twenty four thousand employees. "OKEY" pays great attention to the training of employees and helping them to achieve professional success. Employments. Available: (<http://hh.ru/employer/1276>).



GRAPH 3. Structure of federal office in case of offices, cities and shops. Adopted (Mayer 2014, 340.)

Structure of Federal office

All departments are connected with General Director, and have responsibilities and tasks which they must do correctly and in time. Each department is doing their job and not crossing with other sectors of the company. It shows that in that organization there is a strong hierarchy.

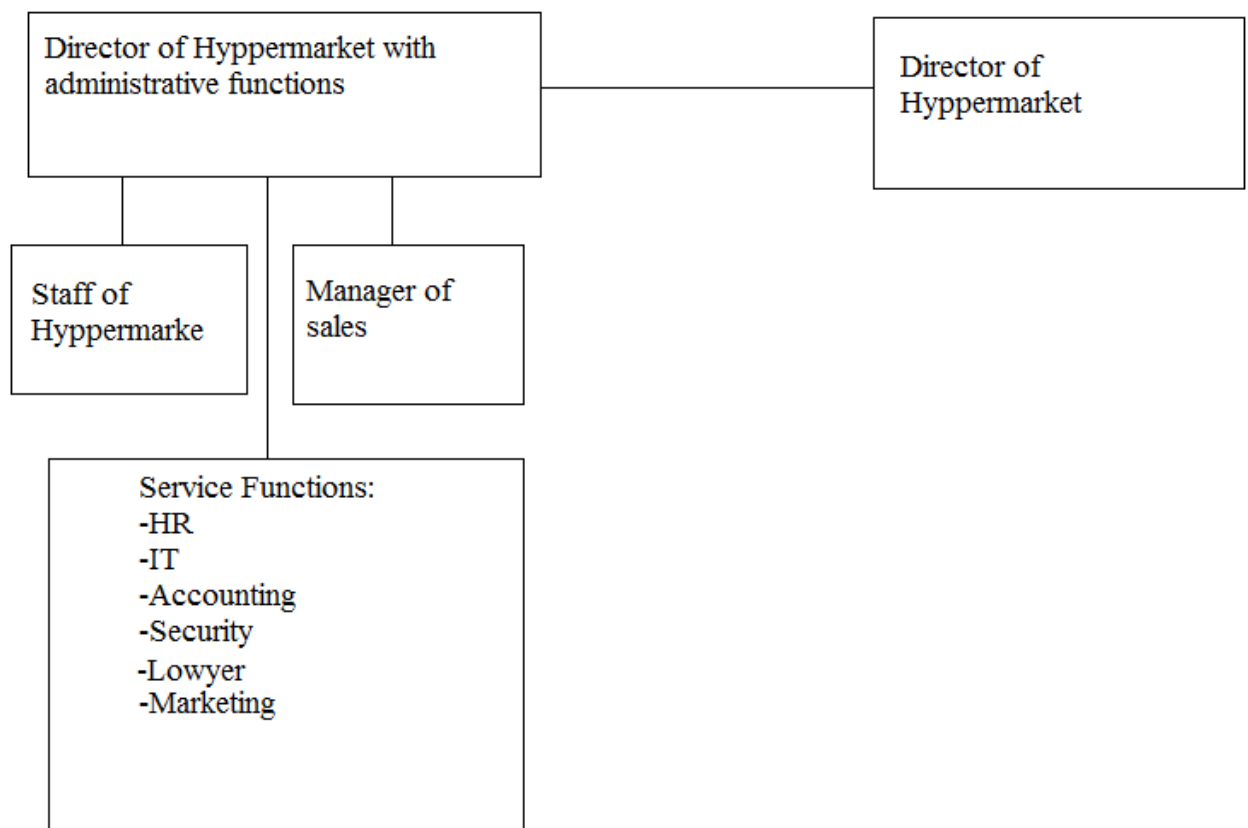


GRAPH 4. According to Mayer, Structure of federal office in the case of General Director. (Mayer 2014, 344.)

According to graph 4, the role of Human Resource manager in the federal office of "OKEY" is to coordinate all employees. It means that Human Resource department is responsible to select employees for a specific hypermarket and for a specific position. The Human Resource department is responsible response only to General Director.

Structure of Monotown

The problem of restructuring and developing of single-industry towns (monotowns), whose economy is totally dependent on a fairly successful experiencing problems or who have been completely unable to compete in the new market conditions of one or two companies. New market conditions. Available: (<http://www.moluch.ru/conf/econ/archive/9/408/>).



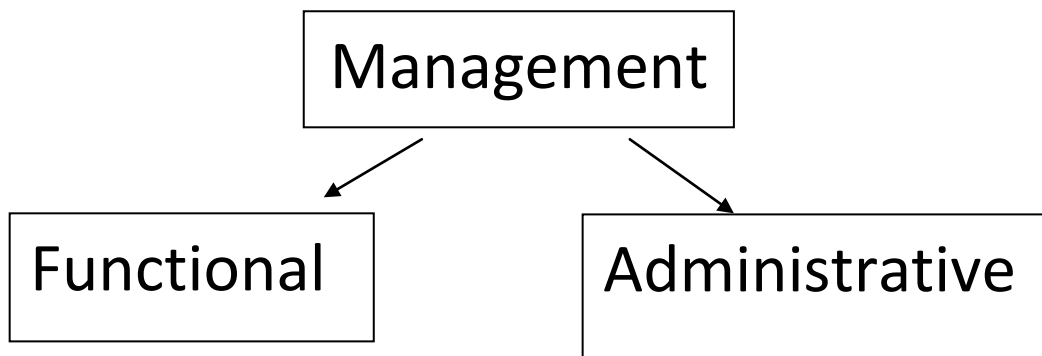
GRAPH 5. According to Mayer, Structure of Monotown. (Mayer 2014, 349.)

According to graph 5, the role of Human Resource manager in the structure of Monotwon is to response only to Director of hypermarket and coordinate employees positions in the certain store. However HR department have to control the other departments regularly.

Types of management in "OKEY"

Functional Management is one of the types of indirect subordinate employees supervisor, in which the manager has the right to give orders to improve the functions performed by them and to ensure their compliance with applicable company policies and procedures within the framework of employee duties contained in his employment contract job.

Administrative Management is one of the types of indirect subordination, in which the principal has the right to give orders to the employee within the organization process of functioning of the Company (on labor discipline, execution of the Company management).

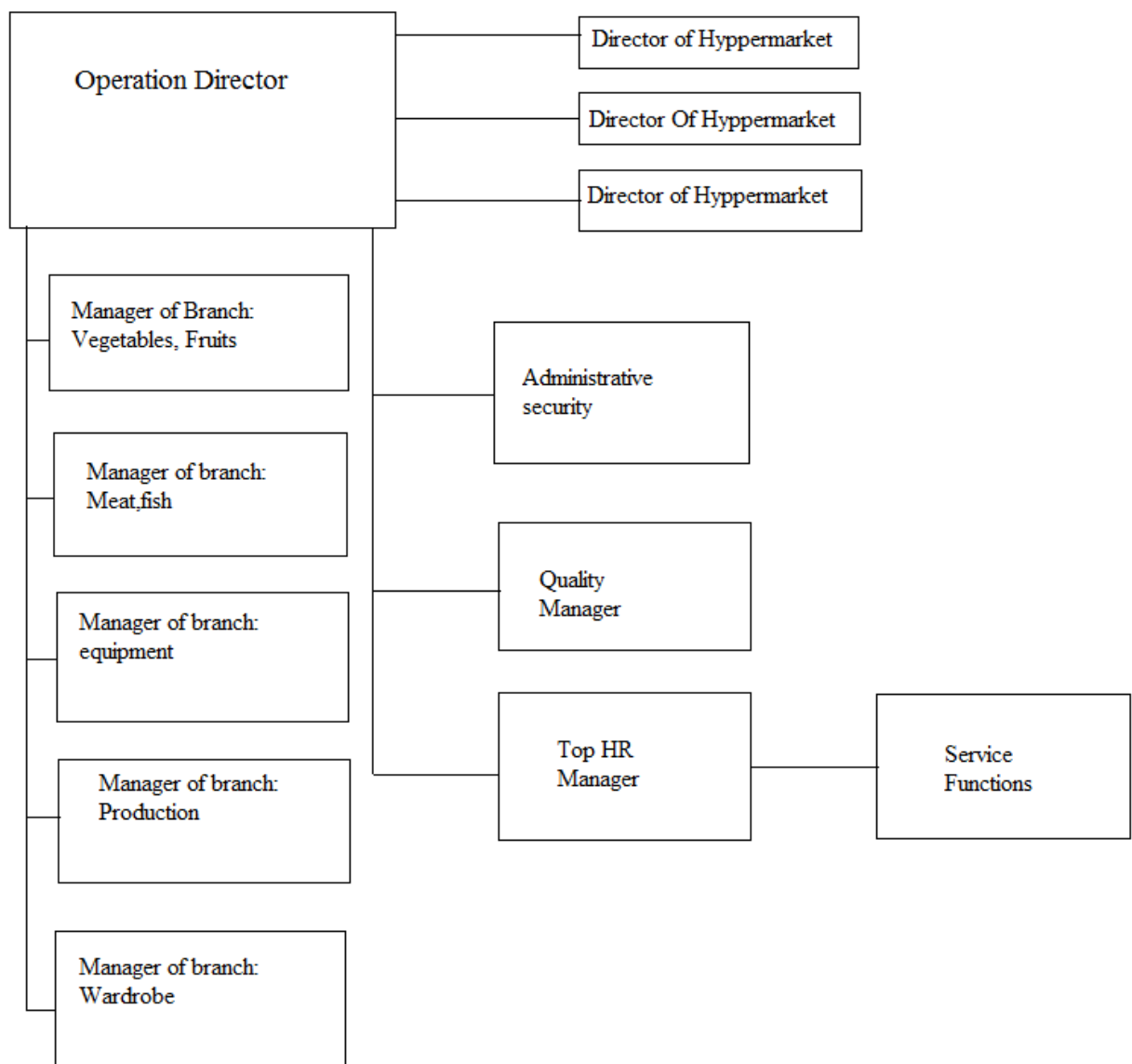


GRAPH 6. According to Mayer, Types of management. (Mayer 2014, 358.)

According to graph 6, the role of Human Resource manager is to have functional and administrative responsibilities and functions. This two types of subordination are independent and monitored separate.

Structure of a town

According to graph 7, here we can see the hierarchy structure of a city. We can see that main person is operation director and then by steps, we can see how management structure in the case of any city is operating. The Human Resource department is supervise all departments in the company connected with administrative security and quality manager to create optimal service functions for the company and response only to Operation Director.



GRAPH 7. According to Mayer, Structure of Town. (Mayer 2014, 358.)

5. Motivation

According to Mayer, motivation is a system of causes (factors, conditions) that encourages people to active purposeful and deliberate activity. Motivation includes needs and instincts that determine the activity level of activity. In "OKEY" already at the stage of recruiting the staff is assessed the candidate's motivation. At this stage, "OKEY" are trying to understand whether a person wants to work and if he or she agrees to work on "OKEY" terms (with their standards, rules, schedules, load, etc. According to company experience it was founded, that as motivation usually people are using such criteria:

1. Money (salary, social benefits, official employment);
2. The general attitude (a good team, a good leader, praise and assessment of the achievements in the collective attitude and microclimate);
3. Professional development (acquisition of knowledge and skills, rewarding experience, career prospects, the results obtained);
4. Comfort, stability (close to home, convenient schedule, labor laws, to keep his or her promise, job satisfaction, etc.).

During his or her working activities classically accepted divided into two types of motivation: material and nonmaterial. (Mayer 2014, 359.)

6. Conclusion

Human resource management system provides continuous improvement methods of working with staff to achieve the better productivity of the company. In this thesis it was founded that improvement of human resource management is very important for the company. Also in this thesis was founded that achievement of better productivity of the work is possible to get with different kind of theoretical and practical trainings.

Theoretical part of the trainings could include different kinds of management models, such as: Dr. John Eider's model, which show the illustration of the way in which people are in communication during they work, other name for his model is "coordinating guide". Also in this thesis work a lot of materials was taken from the book of Tony Mayer, which name is "management guide". From this book it was founded how the relationship with internal and external customers and stuff are going. Also Personal factors in human resource management, such as motivation of employees. Theory about motivation of employees was combined with Tony Mayer's book and theory of Mac Gregor "x, y", also with theory of need of McClelland, two-factor theory of Herzberg and the theory of expectation, for the details see page 1-17.

In this work was founded the methods and criteria for recruitment and selection of staff in the organization can be internal and external, and it is shown which method it is better to pick for different conditions in the company. It is important to make adaptation period for hired employees, and it was founded that trainings and retraining are very important for the profitability of the positive tendency of the company future.

In theoretical part of this thesis it is possible to found variation of the management models, it is means that style of management and the way of management can be decided personally. Eshrid Model divided for the four parts, and it is: orders, advertising, consultation and unity. Scheme Blake-Mouton is based on two basic elements: administrative behaviors and services.

In the case of the company "OKEY" it is known that management decided to pick up a motivation methods to improve profitability of the company, and develop a positive future for the company and stuff. In the company "OKEY" there are two kinds of motivation of employees: Financial and Non-financial motivation. For financial motivation it is use all four aspects of known motivation: money, the general attitude, professional development and comfort and stability, for the details see page 29.

To improve a profitability of the work it is important to involve all employees in it and also customers, to get a better result. Monitoring of weaknesses and strong points of the company is very important aspect to identify and then fix a having problems. In some cases it is important to increase a number of management stuff in the company, because it is possible that too many stuff and not enough amount of management. It is possible that with the influence from budgeting or politics of the company it is not possible for the moment. In that case uses training and retraining policy, to increase a number of qualified employees in the company.

For the company "OKEY" it would be a good point of development, to increase the amount of hypermarkets and expand their market share. The company "OKEY" needs for the current moment to hire a new employees, than make trainings for them and put them to the right positions in the company. If the company management will hire now already qualified employees from the competitor's companies, then is can be that policy of employees and the policy of the company will be different. It is means that a view for the future of the company and the ways how to achieve a goals can be different, and it will lead to negative result. That is why it is important aspect in the company "OKEY" that career growth usually is result of trainings and retraining of an existing employees of the company "OKEY".

7. Theoretical aspects of training and skills development

7.1. The role of training, retraining and advanced training in improving the economic efficiency of the organization

According to the Labor Code of the Russian Federation, employees are entitled to vocational training, retraining and advanced training, including training for new professions. In modern conditions it is important for the company to develop it and it will increase a total amount of output from the company. Development of the company should be permanent in the organization to improve a knowledge's of workers in the company.

According to Mayer, that is why in recent years the leaders of many companies and organizations have been paying close attention to the creation of corporate systems of training, especially the training centers and training departments. The purpose of staff development is to ensure the organization is well-trained employees, in accordance with the company's objectives and development strategy. (Mayer 2014, 368-381.)

According to Mayer, the transition to market economy means among other things the high dynamics of the measurement requirements for quality parameters of the workforce. This reveals important changes in the role and value of the employee. Today, the situation is such that education, such as school or university, becomes the defining element forming the qualitative characteristics of the labor force. Large organizations are increasingly investing in training, because the external market and training system of non qualified stuff than the needs of high-tech industries. This also contributes to declining production and life cycle of the goods. (Mayer 2014, 383-389.)

Modern state policy in the field of vocational training has to address two interrelated problems of social - economic nature:

- Ensuring the needs of production labor required qualifications;
- The fight against unemployment by retraining the unemployed.

The training of qualified personnel is a set of activities that are concentrated on the positive future of the company and to achieve this goal the company's should have a well-trained stuff . From an economic viewpoint, the training of qualified personnel is effective if its costs are below then the cost of a trainings, because it will increase productivity of the company. Training of qualified personnel affects many components of social efficiency. According to information from the Mayer's book (Mayer 2014, 391-399.) professional development has a positive effect on:

- Stability of the company;
- Possibility of professional development in the workplace;
- The employee's income.

Under the present conditions the development of the vocational training system is determined by two opposing trends: the growing requirements of the common and the professional level of the workforce and the desire of entrepreneurs to the maximum possible reduction in the costs of its reproduction. The value of staff for the effective application of new technologies has become so important that in modern management there is a high influence from the education and a working position in the company, also training and retraining are important.

According to Mayer, qualification - a dynamic person's ability to be included in the production process and technology to perform prescribed labor operations and to help the company improve their working activity. Qualification is from the one hand is the potential employee to perform work of a certain complexity, and from the other is to develop a qualification level of the worker. In a period of intense technological change advanced training given to exceptional value, providing the very existence of the enterprise, and it is very important to increase a qualification of an any organization. (Mayer 2014, 402-404.)

7.2. The main form of training, professional development and training in a market economy.

According to Mayer, education and training are two sides of the same process. Education is associated with the development of general knowledge's, and training is to obtain the knowledge which are directly related with performed work. Training programs should be tailored to the specific characteristics of the structure of personnel and the urgent tasks of each organization or its subsidiaries and affiliates. (Mayer 2014, 407-415.)

According to Mayer, vocational training system should significantly increase its capacity for innovation and responsiveness to market needs. This provision is central to the policy of vocational training in the transition to a market economy. The purpose of the organizational trainings is to create a system of continuous education of staff on the basis of an optimum combination of various forms of training new workers. Training and education, working a second profession, enhance their skills and knowledge with the dynamic changes in technology, technology, production, closely linked to their individual professional - qualification advancement. (Mayer 2014, 418-425.)

According to Mayer, the meaning of the concept of "continuous" education is a constant adaptation, periodic training and retraining of the workers throughout the active working life, both within the formal and in the informal education system on the basis of high-quality basic, initial training. The principle of continuity of vocational training should be provided in stages and continuity through each working individual levels of education from the lower, initial, to the highest based on the consistent acquisition of knowledge and skills. To do this, the process of learning is better to build step by step so that each successive stage is a logical continuation of the previous and represents a complete training cycle. (Mayer 2014, 427-437.)

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